

~~SENSITIVE~~

14 February 1953

MEMORANDUM FOR: [ ] [ ]

SUBJECT: QKACTIVE matters to be Discussed on up-coming trip

1. The following matters not easily subject to cable or pouch transmission are referred for your action.

A. Discussions with [ ] [ ]:

1. Attached is a command channel arrangement agreed to by New York and Washington as a result of Inwood Report. Munich to effect immediate compliance.

2. Discuss Prist status and relationships in activity, referring to Whiting letter of 30 June 1952.

3. Discuss L....w status and up-coming assignment with reasons therefor.

B. Discussions with [ ] [ ]:

1. Inform that you are furnishing [ ] [ ] with command channel enclosure.

2. Discuss L....w status and responsibilities.

3. Inquire what budget's planning status is, time schedule for submission, nature of additional guidance required from New York and Washington.

4. For [ ] [ ] information, the following appeared on page 10, New York Times for Monday, February 9, 1953, under title "Nest of U.S. Spies Found, Soviet Says". The following indicates need for continuing discretion and precautions as to contact arrangements.

"The newspaper (IZVESTIA of 8 Feb 1953) also said, that an American Naval Lieutenant named DREYER had engaged in spying in Odessa by obtaining espionage information through criminal contacts he had established with certain "E" in the Odessa Customs House".

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NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2007

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C. Discussions with [ ]:

Imperative that [ ] be apprised of his status. Suggest personal meeting under safe house cover. The factors are:

Subject was appointed a GS-13 staff agent under project ~~QKACTIVE~~ on 8 October 1953 (salary \$8360 per annum). As of 15 February 1953 his promotion to GS-14 will become effective (\$9600 per annum). During this entire period, however, he has been paid at the rate of \$12,000 by his cover employer. The difference between this last figure and his actual salary is refundable to the government. An adjustment, of course, will be made because of taxes.

An attempt was made to bridge the gap between cover and actual salary by providing Whitcomer with an allowance in lieu of quarters. There is, however, no record in our files that this was ever approved. Furthermore, since he is already receiving free quarters, he could not receive an allowance in lieu thereof.

D. General:

[ ] Are security procedures or alternative preparations in any stage of implementation to remedy the license plate assignment to project vehicles delimiting government interest? How widely are the PX cards furnished members of the project: i.e., staff and contract agents or both?

Inquiries and observation as to whether satisfactory progress is being made to move personnel out of hotels. Prist directed Fentost to take steps. Evidence thus far that matters moving slowly.

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